

## REQUIRED SUPPLEMENTARY STEWARDSHIP INFORMATION

*Unaudited, see accompanying Auditors' Report*

### Investment in Research and Development

Investment in Research and Development provides reliable, credible, objective, and unbiased scientific results to improve the basic understanding of natural resources and to inform land and resource management decisions across the Nation. These research and development activities encompass examinations of geological structures, mineral resources, and products within and outside the national domain. Earth science research and information are used to save lives and property, safeguard human health, enhance the economic vitality of the Nation and its people, assess resources, characterize environments, and predict the impact of contamination. This information aids in solving critical societal problems through research, investigation, and the application of state-of-the-art geographic and cartographic methods.

Interior's research and development activities are presented in the following three major categories.

**Basic research.** A study to gain knowledge or understanding of the fundamental aspects of specific phenomena or observable facts without specific applications and products in mind.

**Applied research.** A systemic study to gain knowledge or understanding necessary for determining the means by which a recognized and specific need may be met.

**Developmental Research.** The systematic use of knowledge and understanding gained from research for the production of useful materials, devices, systems, or methods, including the design and development of prototypes and processes.

Bureaus reporting Investment in Research and Development are: BLM, BOR, DO, MMS, NPS, and USGS.

Interior's research and development programs provide the science needed for Federal, state, tribal, and local government agencies to guide planning, management, and regulatory activity. A National Water Quality Assessment program report showing high levels of toxic polycyclic aromatic hydrocarbons in coal-tar-based pavement sealcoat, which resulted in several cities banning the use of this product.

The Cultural Resources Applied Research Program addresses specific issues for which insufficient information is available to make informed management decisions concerning the preservation of cultural resources. A Historic Structure Report Amendment (HSR-A) is being prepared for all 32 buildings and several landscape features within Bandelier National Monument, New Mexico. The Amendment will include a current condition description for each building and feature, treatment history from the date of the original HSR to the present, and specific detailed treatment plans for each building and structure.

The Gunnison Sage Grouse Tracking Pilot Study provides critical data on location and use of lek, nesting, and other habitat sites; grouse movement within the Gunnison Basin area; and information on how big game use, BLM's travel management decisions, off-highway vehicle use, antler shed hunting, and other human uses affect grouse movements and habitat.

The Deep Gulf of Mexico Benthos (DGoMB) project investigated the structure and function of the biota associated with the seafloor in the deep water of the northern Gulf of Mexico to determine how living resources inhabiting deepwater habitats might be impacted by oil and gas exploration. Eight hypotheses related to environmental variables were tested. The research concluded that interactions between the biotic communities and

**Investment in Research and Development**  
(dollars in millions)

Category	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	TOTAL
Basic Research	\$ 79	\$ 72	\$ 63	\$ 65	\$ 69	\$ 348
Applied Research	756	699	728	746	755	3,684
Developmental	80	82	76	74	77	389
<b>TOTAL</b>	<b>\$ 915</b>	<b>\$ 853</b>	<b>\$ 867</b>	<b>\$ 885</b>	<b>\$ 901</b>	<b>\$ 4,421</b>

oil and gas exploration activities are expected to be substantially greater on the upper continental slope (down to 2,000 m depth) relative to the lower slope simply because the standing stocks are so much higher on the upper slope than on the lower slope and abyssal plain. Because of the greater natural environmental variability on the upper slope, upper slope biota may be better adapted to alterations in substrate and organic loading that might result from oil and gas activities. The completion of DGoMB was accomplished through cooperation of ten different institutions in three countries. Importantly, these research efforts provide the basis for regulations to protect the marine environment.

Investments in applied research programs to aid in the water and energy management challenges facing the arid West focus on the improvement of

water management, solutions pertaining to flood hydrology, water quality, irrigation return flows, and the delivery of hydropower to the West. The information obtained through these programs provides water management solutions and techniques that yield future benefits to the Nation. This supports the end outcome goal to deliver water consistent with applicable state and federal law, in an environmentally responsible and cost-efficient manner.

The Central Utah Water Conservancy District conducted a hydrologic study of the Provo River Basin and a feasibility study of direct delivery of Colorado River Basin water from the Strawberry Reservoir or elsewhere in the Strawberry Collection System to the Provo River Basin.

## Investment in Human Capital

Investment in human capital refers to education and training programs financed by the Federal government for the benefit of the public; investment in human capital does not include education and training expenses for Federal employees. The Department plays a vital role in providing quality educational opportunities from early childhood throughout life, with consideration given to the mental, physical, emotional, spiritual and cultural aspects of the people served.

Due to the changes parent/child reporting requirements in OMB Circular A-136, *Financial Reporting Requirements*, as revised, Interior no longer reports on the Job Corps programs and "Other" programs.

## Education Programs

The School Operations Program provides basic education for Indian children in grades K through 12 including funding for school staff, textbooks and general supplies at IA schools. The Adult Education Program provides opportunities for adult Indians and Alaska Natives to obtain the General Equivalency Diploma or improve their employment skills and abilities. The Post-Secondary Education Programs support grants and supplemental funds for Tribal Colleges and Universities.

The vision and long-range goal is to unite and promote healthy Indian communities through lifelong learning. This goal is implemented through the commitment to provide quality educational opportunities throughout life.

**Investment in Human Capital**  
(dollars in millions)

Category	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	TOTAL
Education Programs	\$ 549	\$ 542	\$ 565	\$ 589	\$ 615	\$ 2,860
Job Corps Program	53	52	-	-	-	\$ 105
Other	12	11	-	-	-	\$ 23
<b>TOTAL</b>	<b>\$ 614</b>	<b>\$ 605</b>	<b>\$ 565</b>	<b>\$ 589</b>	<b>\$ 615</b>	<b>\$ 2,988</b>

## Investment in Non-Federal Physical Property

The Department of the Interior provides a long term benefit to the public by maintaining its commitment to investing in non-Federal physical property. Non-Federal physical property refers to expenses incurred by the Federal government for the purchase, construction, or major renovation of physical property owned by state and local governments and Insular Areas, including major additions, alterations, and replacements; the purchase of major equipment; and the purchase or improvement of other physical assets.

Interior's investment in non-Federal physical property is multifaceted and includes a varied assortment of structures, facilities, and, equipment.

Investment in these assets results in improved tribal roads and educational facilities; irrigation infrastructure and water quality improvement projects; species protection and habitat loss prevention programs; recreational activities; and, wildlife management.

The Office of Facility Management and Construction provides funds for buildings with historic and architectural significance. The Utah Reclamation Mitigation & Conservation Commission invests in habitat improvements for fish and wildlife on non-Federal properties to mitigate the impact of reclamation projects in Utah on wildlife resources beyond the boundaries of those projects.

**Investment in Non-Federal Physical Property**  
(dollars in millions)

Category	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	TOTAL
Dams & Other Water Structures	\$ 278	\$ 342	\$ 281	\$ 446	\$ 329	\$ 1,676
Land	97	115	165	128	170	675
Roads and Bridges	99	111	4	2	2	218
Schools and Public Buildings	89	94	114	66	106	469
Ranges	1	1	2	2	2	8
Not Classified	15	19	10	23	14	81
<b>TOTAL</b>	<b>\$ 579</b>	<b>\$ 682</b>	<b>\$ 576</b>	<b>\$ 667</b>	<b>\$ 623</b>	<b>\$ 3,127</b>